

2009 DRAFTING REQUEST

Senate Amendment (SA-SB163)

Received: **09/16/2009**

Received By: **pkahler**

Wanted: **Today**

Identical to LRB:

For: **Robert Wirsch (608) 267-8979**

By/Representing: **Jennifer Bishop**

This file may be shown to any legislator: **NO**

Drafter: **pkahler**

May Contact:

Addl. Drafters:

Subject: **Insurance - health**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Wirsch@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Remove exception for cancer-only policies

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 09/16/2009	kfollett 09/16/2009		_____			
/1			mduchek 09/16/2009	_____	lparisi 09/16/2009	lparisi 09/16/2009	

FE Sent For:

<END>

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/?	pkahler	11/5f 9/16	WJ 9/16	_____			

FE Sent For:

<END>

Kahler, Pam

From: Bishop, Jennifer
Sent: Wednesday, September 16, 2009 3:23 PM
To: Kahler, Pam
Subject: RE: Cancer Only policies

Awesome! So...I've never had to amend one of my bills, how do we go about doing that? Sen. Erpenbach's committee is going to meet tomorrow to exec the bill...

From: Kahler, Pam
Sent: Wednesday, September 16, 2009 3:20 PM
To: Bishop, Jennifer
Subject: RE: Cancer Only policies

That's what I would prefer to do, Jennifer. That way, too, if a "cancer only" policy *does* cover screening, nothing in the bill would prohibit that from continuing - it just wouldn't be required.

From: Bishop, Jennifer
Sent: Wednesday, September 16, 2009 3:08 PM
To: Kahler, Pam
Subject: FW: Cancer Only policies

Hi Pam,

So, cancer only policies seem to be a supplement anyway... do you think that it just makes sense to pull out the "other than cancer" portion?

From: Tony Langenohl [mailto:tony.langenohl@capitolconsultants.net]
Sent: Wednesday, September 16, 2009 2:43 PM
To: Bishop, Jennifer
Subject: FW: Cancer Only policies

Jennifer;

Here's a better explanation of our concerns from the regional representative from America's Health Insurance Plans that I report to that I think answers the questions you posed.

Hi, Tony,

Here's a quick explanation of why we are concerned that the "cancer only" policies are included in the colorectal screening mandate.

As we discussed, cancer only policies are a supplement to regular insurance. They are purchased by those who would like to mitigate the out-of-pocket costs they might face if they were unfortunate enough to get cancer. So, for example, a person might have a health policy that covers 75 percent of each medical bill. The money is typically paid directly to the patient who then uses it to pay their copays and deductibles.

For all of the claims related to cancer treatment, the cancer-only policy would cover the other 25 percent up to whatever the benefit limit for that product is. People can buy various types of cancer only policies that cover more or less. It's all up to their budget and tendency to be "risk averse." These are typically sold by agents or in the worksite as an additional option for those making decisions about their regular employer

based coverage.

The rates for these products are developed with the understanding that they are supplemental to cancer claims after a diagnosis has been made. Rates can vary from around \$300 per year to \$3000 per year depending on how much the patient wants to supplement.

As written, this mandate could require the cancer-only carriers to cover these colorectal screening tests at 100%, which means that they would have to add the cost of a \$2000 test onto a policy that currently can cost as little as \$300 per year. As you can tell, the addition of this cost to that products cost structure would represent an extreme increase in premium, and is not necessary because in general these folks already have coverage for these screening tests.

Let me know if you need more information, or the legislative staff have more questions.

- Cindy

Per Cindy's explanation our preference would be to have the language "other than cancer" removed in 632.895 (16)(c) 1. A disability insurance policy that covers only certain specified diseases other than cancer.

Otherwise we if we could include the TN mammography language, that would eliminate our concern too.

Thank you again for all your assistance/patience on this and your's and Senator Wirsch's consideration of this amendment.

Best,

Tony

--

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----- Forwarded Message

From: "Goff, Cindy" <cgoft@ahip.org>

Date: Wed, 16 Sep 2009 15:12:45 -0400

To: Anthony Langenohl <tony.langenohl@capitolconsultants.net>

Cc: "Lewek, Kaylene" <klewek@ahip.org>

Subject: Cancer Only policies

09/16/2009

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So, for example, a person might have a health policy that covers 75 percent of each medical bill. The money is typically paid directly to the patient who then uses it to pay their copays and deductibles. For all of the claims related to cancer treatment, the cancer-only policy would cover the other 25 percent up to whatever the benefit limit for that product is. People can buy various types of cancer only policies that cover more or less. It's all up to their budget and tendency to be "risk averse." These are typically sold by agents or in the worksite as an additional option for those making decisions about their regular employer based coverage.

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- Cindy

Cindy Goff
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America's Health Insurance Plans
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----- End of Forwarded Message

09/16/2009

Kahler, Pam

From: Bishop, Jennifer
Sent: Wednesday, September 16, 2009 11:22 AM
To: Kahler, Pam
Subject: FW: TN Mammography Law
Attachments: TN 56-7-2502 Mammography coverage.pdf

From: Tony Langenohl [mailto:tony.langenohl@capitolconsultants.net]
Sent: Tuesday, September 08, 2009 2:28 PM
To: Bishop, Jennifer
Subject: TN Mammography Law

Jennifer;

Per our conversation attached is an excerpt of the TN mammography law. In section (3)(c)(1) specified disease policies are exempted if the the policy owner has another policy that is subject to the mandate. By adding this language we could clarify that cancer insurance policyholders are not unnecessarily paying for double coverage. Thank you in advance for considering this.

I have made a request of AHIP for additional clarification on the two guidelines and will forward along as soon as I receive.

Please let me know if I can provide you any additional information.

Best,

Tony

INsource on the Web

Tennessee
Insurance Code

TITLE 56 -- INSURANCE...Chapter 7 -- POLICIES AND POLICYHOLDERS...Part 25. Mandated Insurer or Plan Options

56-7-2502**Mammography coverage**

Former Citations 56-7-1012

(a) Any individual, franchise, blanket or group health insurance policy, medical service plan, contract, hospital service corporation contract, hospital and medical service corporation contract, fraternal benefit society, or health maintenance organization which provides coverage for surgical services for a mastectomy, and which is delivered, issued for delivery, amended, or renewed on or after July 1, 1989, shall also provide coverage for mammography screening performed on dedicated equipment for diagnostic purposes on referral by a patient's physician according to the following guidelines:

- (1) A baseline mammogram for women thirty-five (35) to forty (40) years of age;
- (2) A mammogram every two (2) years, or more frequently based on the recommendation of the woman's physician, for women forty (40) to fifty (50) years of age; and
- (3) A mammogram every year for women fifty (50) years of age and over.

(b) Any increase in expenditure requirements on a municipality or a county resulting from the provisions of this section shall be appropriated from funds that such municipality or county receives from the state-shared taxes that are not earmarked by statute for a particular purpose.

(c)(1) The provisions of this section do not apply to medicare supplemental policies unless mammography is covered under medicare. This section shall not apply to policies which provide only hospital indemnity benefits or to policies which provide only benefits for specified accidents. Insurance policies which provide benefits only for specified diseases, and which cover mastectomies shall be subject to the requirements of this section, unless the owner of such policy has other insurance which provides mammography coverage as guaranteed by this section.

(2) The issuer of the specified disease policy has the burden of proving that the insured has other insurance which covers mammography to the extent guaranteed by this section.

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***** END DOCUMENT *****



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBa0718/

PJK...

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

SENATE AMENDMENT,
TO 2009 SENATE BILL 163

[Handwritten signature]

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1 At the locations indicated, amend the bill as follows:

2 **1.** Page 4, line 10: delete "other".

3 **2.** Page 4, line 11: delete "than cancer".

4 (END)